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C O N F I D E N T I A L SECTION 01 OF 02 BUCHAREST 000254

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E.O. 12958: DECL: 03/03/2017 TAGS: <u>PGOV PREL PINR RO</u>

SUBJECT: PYGMALION: A DISCUSSION WITH NEW GENERATION PARTY

SENIOR ADVISOR DAN PAVEL

Classified By: Polcouns Theodore Tanoue for 1.4 (b) and (d)

- 11. (C) Summary: A former U.S.-based Romanian academic now serving as senior advisor to property and sports magnate Gigi Becali confirmed that Bacali's New Generation party had benefited greatly from voter disgust with internecine strife in the ruling coalition and other political turmoil. The PNG was attracting supporters both from the PSD and the rival far-right PRM. He was eager to disavow Becali's ties to right-extremist groups in Romania, but acknowledged that Becali's contribution to drafting the party manifesto was his insistence on language stressing the party's nationalist agenda, in a bid to appeal to PRM supporters. He said that the PNG's objectives included a "Europe of Nations" and a pro-U.S., pro-Israel foreign policy. Our interlocutor also asserted a "complementarity" between the PNG and Basescu's PD, and confirmed that Becali's ambitions included becoming Prime Minister. End Summary.
- (C) Polcouns met informally 3/2 with Dan Pavel, senior advisor to New Generation Party (PNG) President (and Steaua Romania football magnate) Gigi Becali. Pavel is a former academic with strong U.S. ties, including stints as professor at the University of Maryland and Director of the Princeton University Project on Ethnic Relations. He was eager to dispel Becali's reputation as a right-extremist buffoon. acknowledged that Becali had "briefly" flirted with the extremist right after the 2004 election, when the New Generation Party (PNG) failed to make the 5 percent threshold for parliamentary representation. Becali had tried to merge the PNG with the New Right movement (Noua Dreapta) in order to revitalize the party. Pavel claimed that he had parted ways with Becali at that time, warning Becali against associating with the extreme right. He said that a few months later, Becali had begged Pavel to return as political advisor, admitting that "you were right, these guys are crazy..." Pavel also confirmed press reports that Becali's parents (and other minority Aromanian relatives) were active in the prewar Iron Guard and Legion of St. Michael movements, but explained that Becali's position on the prewar nationalist movements is that this is a part of Romania's past, not the future.
- 13. (C) Pavel said that the PNG had benefited from voter disgust with internecine battles within the ruling coalition and from PSD moves to suspend President Basescu. Pavel said that the PNG's growth came at the expense of the PSD and Vadim Tudor's PRM, as well as from undecided voters. He said that the cerebral Mircea Geoana's accession to the PSD helm had accelerated rural voters' disenchantment with the PSD, as evidenced by the huge crowds attending recent Becali visits to the countryside, attesting to his star appeal outside the cities. (Note: PSD contacts have confirmed that they are losing votes to the PNG). He added that Becali's private disaster relief efforts—including rebuilding over 200 houses damaged during floods last spring—had added to his appeal

among rural voters. Becali recognized that his personal appeal was not enough, and the PNG was creating a grassroots political organization nationwide, enlisting over 1000 local mayors and county councilors and a cadre of local businessmen.

- 14. (C) Asked if Becali was tailoring his message to draw supporters from Vadim Tudor's PRM, Pavel said that the only part of Becali's message that was geared towards PRM supporters was the emphasis on nationalism. Pavel confided that Becali had given him free rein in writing the PNG party doctrine, but the only part where Becali had personally participated in the drafting was the language stressing the PNG's nationalist orientation. Becali's intent, said Pavel, was to reclaim the "nationalist" label from the hands of "extremists" and to underscore that "one shouldn't be ashamed" to be a nationalist. Pavel said that the PNG's objective was the creation of a "Europe of Nations," plus a pro-U.S., pro-Israel foreign policy. Pavel said that Becali supported President Basescu against PSD calls for his removal for alleged constitutional improprieties, but at the same time opposed Basescu's proposal for electoral reform including a uninominal vote.
- 15. (C) Pavel confirmed that the PNG would run in the upcoming European Parliamentary elections under the same overall banner—the European Popular Party—as Basescu's Democratic Party (PD) and the breakaway Liberal Democrats (PLD). He insisted that the PNG was not allied with the PD or with other parties, and that he considered them to be "adversaries, not allies". However, Pavel later remarked that the PNG considered the PD to be part of the "same political family" suggesting that there was considerable personal "sympathy" between Becali and Basescu. Finally,

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Pavel cited the "complementarity" between the two parties: the PNG's base was largely rural, while the PD's support came from urban districts.

- 16. (C) Pavel volunteered that Becali's ambition was to ultimately become the President or--more likely--Prime Minister. Asked whether the Romanian political stage was large enough to simultaneously accommodate two huge personalities like Basescu and Becali, Pavel responded that Becali was more a "consensualist" than the "lone wolf" politician typified by Basescu. This was exemplified by Becali's success as a businessman and sports team owner. Becali had succeeded in submerging the rivalries between the Steaua, Dynamo, and Rapid football team owners--three very strong egos--to create a common front in negotiating broadcasting licenses and other contracts. The difference between a businessman and a sea captain (note: a reference to Basescu) is that the former knows that current competitors might become future partners, concluded Pavel.
- 17. (C) Pavel insisted that despite a reputation for being an "unlettered primitive", Becali was too easily underestimated by political rivals and the public. Pavel said Becali was a quick study and a superb businessman, as evidenced by his ability to quickly grasp the complexities of a two- or three-hundred page business contract. Finally, Pavel also recounted a recent audience that Becali had with former Italian Prime Minister (and fellow businessman and football team owner) Silvio Berlusconi. After the meeting, Berlusconi reportedly pledged his help to the PNG in the upcoming European Parliament race, allegedly remarking, "You remind me of myself as a young man."
- 18. (C) Comment: Both Becali and his PNG party have continued their recent meteoric rise in the polls. A recent IMAS survey, for example, shows that Becali is now the second most popular politician in Romania (with a 40 percent approval rating, second only to President Basescu at 51 percent). Similiarly, the PNG at 16 percent is now within a couple of percentage points in outpacing the PSD as the second most

popular political party in Romania. This is remarkable given that the PNG generally scored in the 2-3 percent range in late 2005, and in the 7-8 percent range in polls conducted in summer 2006.

19. (C) Clearly, Gigi Becali has benefited by distancing himself from the political fray and by his recent attempts to move to the high road. Neverthess, Becali's more bizarre unscripted moments (including displays of his mastery of ethnic slurs and homophobic comments, his obscene run-ins with the press, and a recent televised episode showing him taking a crowbar to his \$500K Mercedes Maybach after a road mishap) underscore that Pavel will have his work cut out for him. However, he will be well recompensed for his efforts, as the local press has reported that his salary package for serving as Becali's tutor, handler, and political "architect" is in the USD 300,000 range. High, perhaps, by Romanian standards, but worth every cent. End Comment.